

## WORLD CUSTOMS ORGANIZATION ORGANISATION MONDIALE DES DOUANES

Established in 1952 as the Customs Co-operation Council Créée en 1952 sous le nom de Conseil de coopération douanière

## HARMONIZED SYSTEM REVIEW SUB-COMMITTEE

NR0474E1 (+ Annex)

2<sup>nd</sup> Session

O. Eng.

Brussels, 7 October 2003.

# POSSIBLE NEW HEADINGS FOR MONITORS AND PROJECTORS, DIGITAL CAMERAS AND OTHER VIDEO CAMERAS (INCLUDING TELEVISION CAMERAS) (PROPOSALS BY THE JAPANESE ADMINISTRATION AND THE SECRETARIAT)

(Item II.6 on Agenda)

#### Reference documents:

NR0287E1 (RSC/26) NR0323E1 (RSC/26) NR0332E2, Annexes C/16 and D/5 (RSC/26 – Report) NR0334E1 (RSC/WG/1) NR0387E1 (RSC/WG/1) NR0400B3, Annex G, paragraphs 52 to 54

#### I. BACKGROUND

(RSC/27 - Report)

- 1. At its 26<sup>th</sup> Session (September 2002), the Review Sub-Committee held a preliminary discussion on possible amendments to Chapters 84, 85, 90 and 95 concerning information technology products (Doc. NR0323E1 EC proposal), including the possibility of regrouping monitors and projectors, and television cameras and other cameras of current heading 85.25, in a single heading.
- 2. At the first Session of the Working Group of the Review Sub-Committee, the EC Delegate clarified the fact that, with respect to the regrouping of monitors and projectors, the dot pitch criterion, which was currently used as one of the criteria to distinguish between video monitors and ADP (data) monitors, would no longer be appropriate, given developments in technology.
- 3. With respect to his administration's proposal, the Japanese Delegate explained that proposed subheading 8HHH.90 was intended for products using future technology, and that proposed subheading 8HHH.10 would cover apparatus converting electric signals to image. He agreed that the text of proposed subheading 8HHH.20 should exclude apparatus of proposed subheading 8HHH.10.

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- 4. In a subsequent informal meeting concerning the restructuring of headings in Chapters 84, 85 and 90, it was agreed that Japan would work out a proposal for a separate heading covering monitors, projectors and flat panel displays, having an ADP function or video function, and possibly cameras of current heading 85.25.
- 5. Prior to the 28<sup>th</sup> Session of the Review Sub-Committee, an informal group of participants from Canada, Japan, the United States and the EC met with officials of the Secretariat. During this meeting, two alternative proposals were worked out, taking into account the possibility of a separate heading for cameras and one for projectors, etc. These alternatives are reproduced in the Annex to this document.

#### **II. SECRETARIAT COMMENTS**

- 6. The Secretariat has prepared a set of draft amendments to the Nomenclature with a view to creating separate headings for monitors, projectors and flat panel displays, and for cameras. It has also prepared a draft amendment combining the two groups of commodities in a single heading. It has situated the new heading(s) at the end of Chapter 85, current heading 85.48 being renumbered as 85.50 or 85.51, as the case may be.
- 7. If the proposal to move monitors and projectors from heading 85.28 is accepted, the structured nomenclature of that heading has to be revised as well. Pending further discussions on the appropriate future structure to be held at the 29<sup>th</sup> Session of the Review Sub-Committee (March 2004), the Secretariat has reproduced the current structure for the television reception apparatus, i.e., a subheading for "colour" and one for "black and white and other monochrome".
- 8. The Secretariat has introduced separate subheadings for "parts" in the new headings, given the fact that, by application of Note 2 (b) to Section XVI, parts if suitable for use solely or principally with a particular kind of machine are to be classified with that machine. In this context it is to be noted that parts of the apparatus coming from heading 84.71 are currently classified in heading 84.73, together with accessories suitable for use solely or principally with apparatus of heading 84.71. Parts suitable for use solely or principally with the apparatus coming from headings 85.25 and 85.28, are currently classified in heading 85.29.
- 9. Since the scope of the term "accessories" in respect of monitors and projectors currently classified in heading 84.71 is not entirely clear and given the fact that accessories for the apparatus coming from headings 85.25 and 85.28 are classified according to their constituent material, the Secretariat suggests refraining from a reference to "accessories" in the new headings.
- 10. If the Working Group agrees to merge the monitors and projectors with the cameras in a single heading (i.e., heading 85.49 in option 1 and in option 2 in the Annex), it has to decide whether or not the television cameras should be given a separate status at the subheading level. The relevant parts of the structured nomenclature have been placed in square brackets.
- 11. Finally, with respect to the exclusion of monitors and projectors from heading 84.71, the Working Group is invited to consider the proposals in the context of Note 5 to Chapter 84 (Item II.10 on Agenda).

### III. CONCLUSION

12. The Working Group is invited to examine the proposal to create separate headings for monitors and projectors, digital cameras and other video cameras (including television cameras), as set out in the Annex to this document, taking into account the comments of the Secretariat in paragraphs 7 to 11 above.

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